

AG EQUINE INDUSTRY DEVELOPMENT FUND

FY 2006 Final Status Report

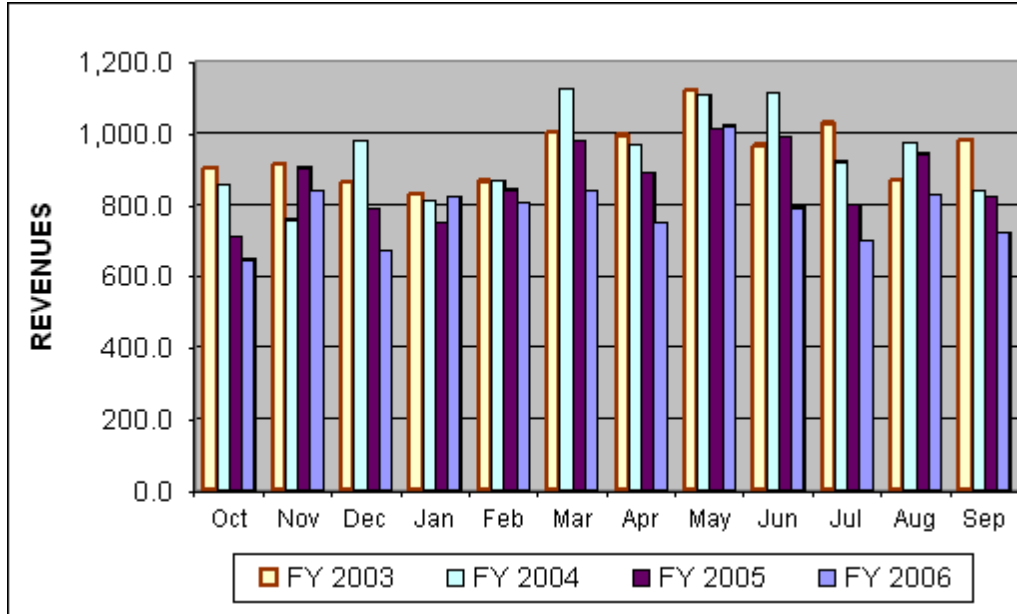
PERIOD: **October 2005 – September 2006**

- Actual revenues for Simulcast Tax and Fees through September 2006 are 9.5% less than those collected in the same period as of September 2005 (\$10,446,800 in 2005 vs. \$9,452,259 in 2006).
- Actual revenues for Simulcast Tax and Fees through September 2006 are 3.5% less than those projected would be collected at this time. Initially, revenues during FY 2006 were projected to be \$9,800,000; however, actual collections were \$9,452,259; which is \$347,741 or 3.5% under budget for the year end.
- In FY/06 a portion of the Casino Wagering Tax was allocated to the AG Equine Industry Development Fund. The initial appropriation level was set at \$6.0 million. For the period October 2005 through September 2006 the Casino Tax revenue was \$6,424,000. This represents a \$424,000 or 7.1 % increase from the initial FY/06 revenue projections of \$6,000,000.
- FY 2006 AG Equine Fund status includes:

+	FY 2005 Carry Forward	\$	1,370,908
+	FY 2005 Licensed Track Capital Improvement Lapse		221,603
+	FY 2006 Simulcast Tax & Fees Revenue		9,452,259
+	FY 2006 Casino Tax Revenue		6,423,999
+	FY 2006 Un-cashed Tickets		648,730
-	FY 2006 GF Reimbursement		(2,000,000)
-	FY 2006 Expenditures / Transfers		<u>(16,073,118)</u>
	Projected Surplus	\$	44,381

- In FY/05 Grants totaling \$2,980,000 were entered into for licensed track improvements. By 9/30/05 \$1,805,812 had been spent. An extension was granted for \$309,236 to fulfill contracts already entered into until 12/31/05. The \$221,603 is the unspent portion of the \$309,236, which reverted back to the fund.
- Act 42, was signed by the governor on March 2, 2006. Therefore \$2 Million from the AG Equine Fund was transferred to the General Fund.
- Questions or comments regarding this information may be directed to Rich Ludwig, MDA Finance Division at (517)-373-9759 or email at ludwigr@michigan.gov.

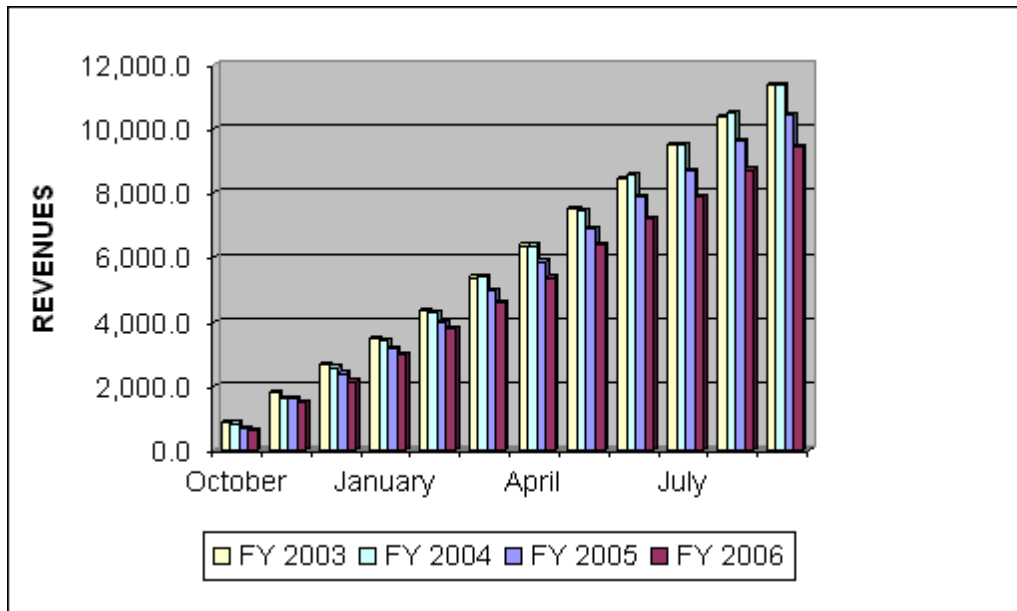
AG EQUINE INDUSTRY DEVELOPMENT FUND (in thousands)
MONTHLY COMPARISON - Simulcast Tax & Fees:



MONTHLY COMPARISON - Simulcast Tax & Fees:

	FY 2003	FY 2004	FY 2005	FY 2006
Oct	903.8	856.8	712.3	648.1
Nov	914.1	759.6	905.7	840.8
Dec	863.2	978.9	790.7	672.2
Jan	830.3	811.3	750.8	825.5
Feb	865.8	867.2	843.3	805.5
Mar	1,004.2	1,126.1	981.4	839.7
Apr	994.7	970.1	889.4	751.7
May	1,121.8	1,110.9	1,012.8	1,022.5
Jun	966.0	1,114.0	992.0	792.5
Jul	1,028.8	921.7	800.4	700.9
Aug	868.4	975.3	944.4	828.9
Sep	980.5	842.3	823.5	723.9
TOTAL	11,341.6	11,334.2	10,446.7	9,452.2

YTD CUMULATIVE COMPARISON - Simulcast Tax & Fees:



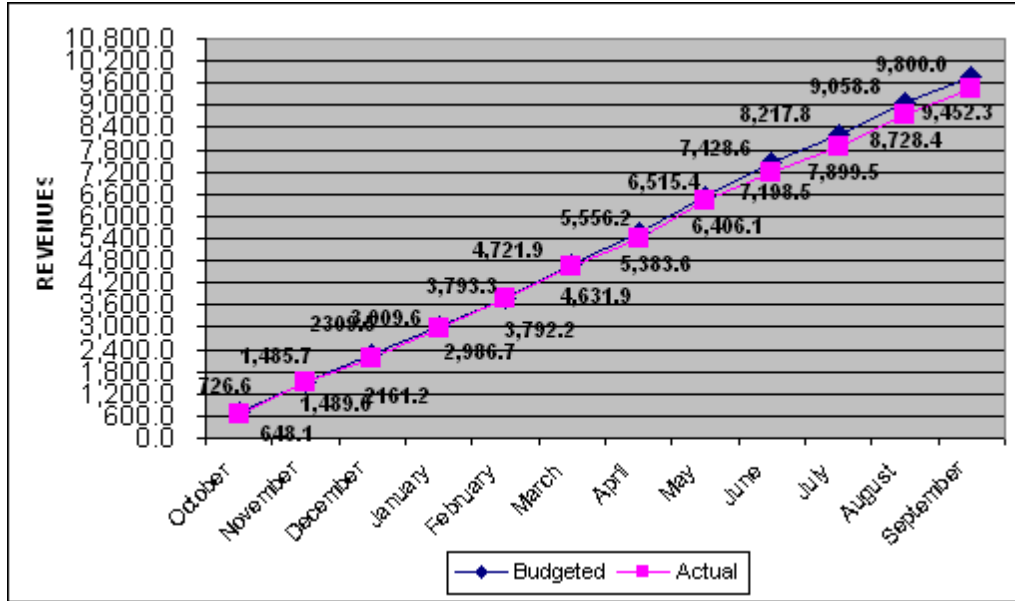
YTD COMPARISON - Simulcast Tax & Fees:

	FY 2003	FY 2004	FY 2005	FY 2006
October	903.8	856.8	712.3	648.1
November	1,817.9	1,616.4	1,618.0	1,488.9
December	2,681.1	2,595.3	2,408.7	2,161.1
January	3,511.4	3,406.6	3,159.5	2,986.6
February	4,377.2	4,273.8	4,002.8	3,792.1
March	5,381.4	5,399.9	4,984.2	4,631.8
April	6,376.1	6,370.0	5,873.6	5,383.5
May	7,497.9	7,480.9	6,886.4	6,406.0
June	8,463.9	8,594.9	7,878.4	7,198.5
July	9,492.7	9,516.6	8,678.8	7,899.5
August	10,361.1	10,491.9	9,623.2	8,728.4
September	11,341.6	11,334.2	10,446.7	9,452.3

AG EQUINE INDUSTRY DEVELOPMENT FUND (in thousands)

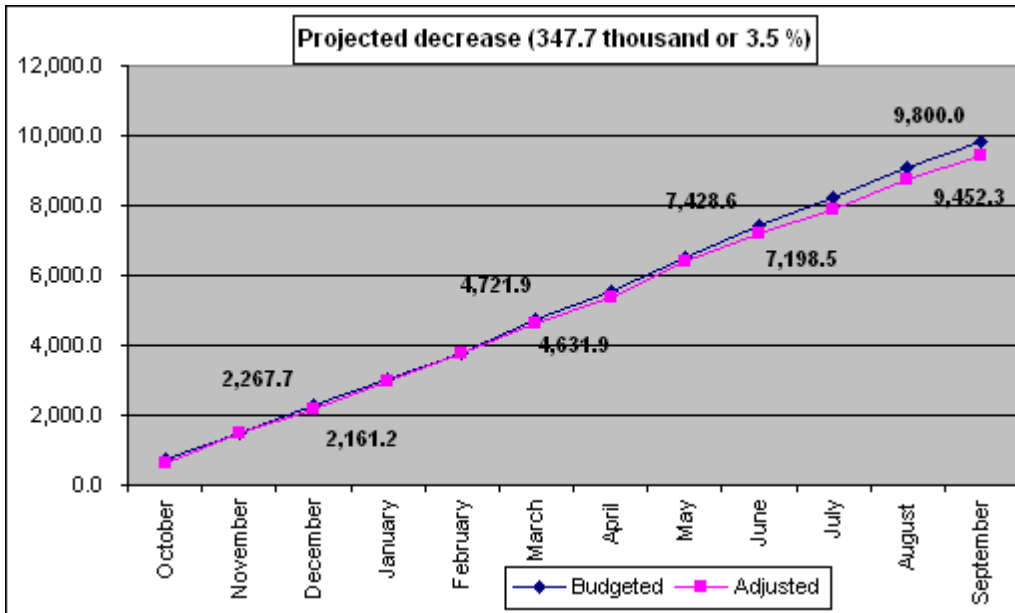
FY 2006 BUDGETED vs. ACTUAL: CUMULATIVE

For Simulcast Tax and Fees:



FY 2006 PROJECTION: BUDGETED vs. ADJUSTED

BASED ON ACTUAL REVENUES COLLECTED FOR SIMULCAST TAX & Fees



FY 06 BUDGETED vs. ACTUAL - CUMULATIVE

For Simulcast Tax and Fees:

	Budgeted	Actual	VARIANCE	
			\$	%
October	726.6	648.1	(78.5)	-10.8%
November	1,485.7	1,489.0	3.2	0.2%
December	2,267.7	2,161.2	(106.5)	-4.7%
January	3,009.6	2,986.7	(22.9)	-0.8%
February	3,793.3	3,792.2	(1.0)	0.0%
March	4,721.9	4,631.9	(90.0)	-1.9%
April	5,556.2	5,383.6	(172.6)	-3.1%
May	6,515.4	6,406.1	(109.3)	-1.7%
June	7,428.6	7,198.5	(230.1)	-3.1%
July	8,217.8	7,899.5	(318.4)	-3.9%
August	9,058.8	8,728.4	(330.4)	-3.6%
September	9,800.0	9,452.3	(347.7)	-3.5%

FY 06 PROJECTION - ADJ. BASED ON ACTUAL

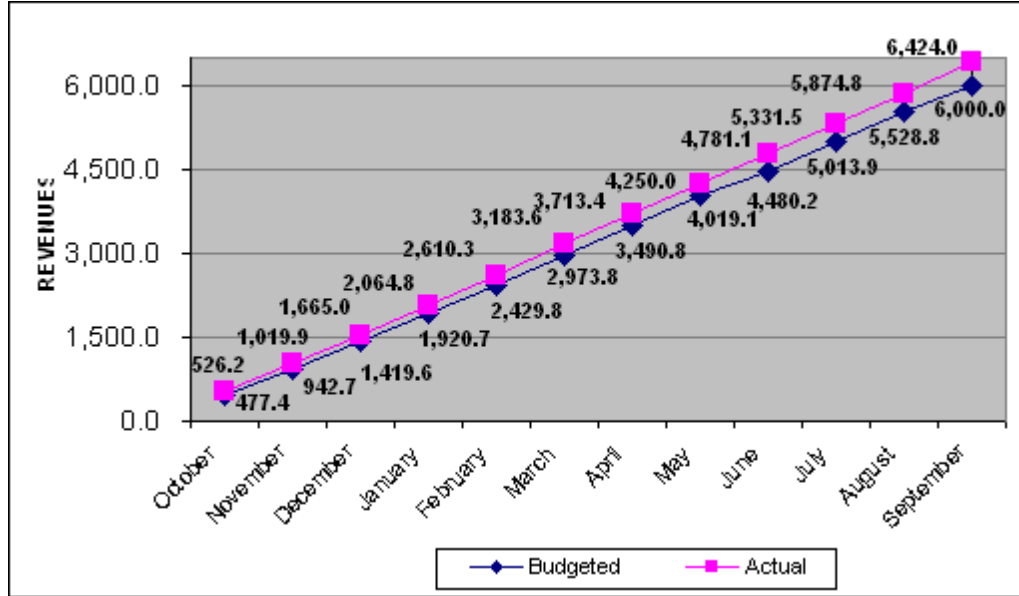
For Simulcast Tax and Fees:

	Budgeted	Adjusted	\$	%
October	726.6	648.1	(78.5)	-10.8%
November	1,485.7	1,489.0	3.2	0.2%
December	2,267.7	2,161.2	(106.5)	-4.7%
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AG EQUINE INDUSTRY DEVELOPMENT FUND (in thousands)

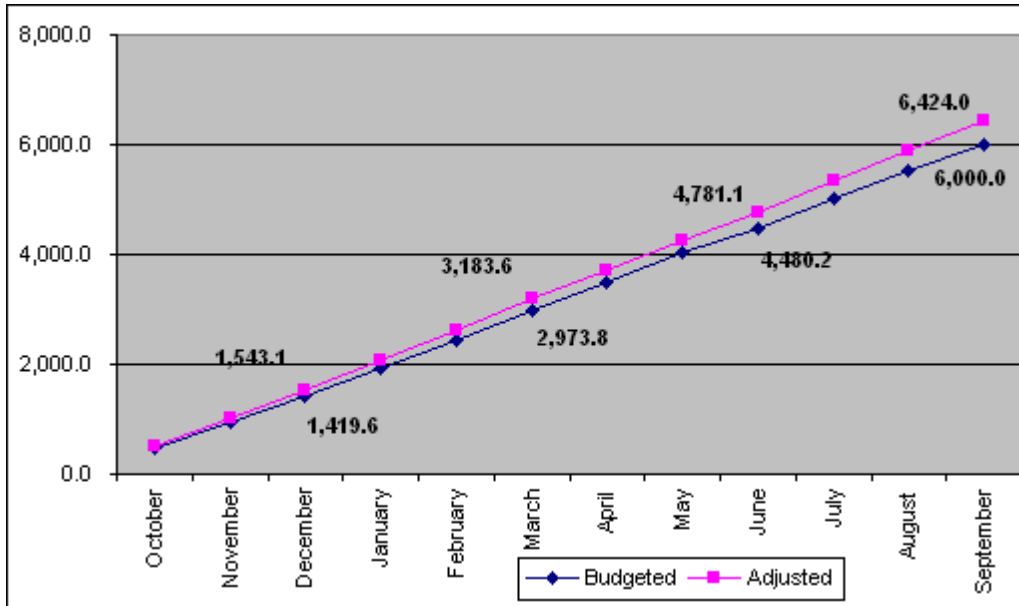
FY 2006 BUDGETED vs. ACTUAL: CUMULATIVE

For Casino Tax revenue:



FY 2006 PROJECTION: BUDGETED vs. ADJUSTED

BASED ON ACTUAL REVENUES COLLECTED FOR CASINO TAX REVENUE



FY 06 BUDGETED vs. ACTUAL - CUMULATIVE

For Casino Tax revenue:

	Budgeted	Actual	VARIANCE	
			\$	%
October	477.4	526.2	48.8	10.2%
November	942.7	1,019.9	77.3	8.2%
December	1,419.6	1,543.1	123.4	8.7%
January	1,920.7	2,064.8	144.1	7.5%
February	2,429.8	2,610.3	180.6	7.4%
March	2,973.8	3,183.6	209.7	7.1%
April	3,490.8	3,713.4	222.6	6.4%
May	4,019.1	4,250.0	230.9	5.7%
June	4,480.2	4,781.1	300.9	6.7%
July	5,013.9	5,331.5	317.6	6.3%
August	5,528.8	5,874.8	346.1	6.3%
September	6,000.0	6,424.0	424.0	7.1%

FY 06 PROJECTION - ADJ. BASED ON ACTUAL

For Casino Tax Revenue:

	Budgeted	Adjusted	Variance	
			\$	%
October	477.4	526.2	48.8	10.2%
November	942.7	1,019.9	77.3	8.2%
December	1,419.6	1,543.1	123.4	8.7%
January	1,920.7	2,064.8	144.1	7.5%
February	2,429.8	2,610.3	180.6	7.4%
March	2,973.8	3,183.6	209.7	7.1%
April	3,490.8	3,713.4	222.6	6.4%
May	4,019.1	4,250.0	230.9	5.7%
June	4,480.2	4,781.1	300.9	6.7%
July	5,013.9	5,331.5	317.6	6.3%
August	5,528.8	5,874.8	346.1	6.3%
September	6,000.0	6,424.0	424.0	7.1%

AG EQUINE INDUSTRY DEVELOPMENT FUND
FY 2006 REVENUE PROJECTIONS (Simulcast Taxes + Fines/Fees and Casino Tax)

BY MONTH....													SIMULCAST VARIANCE		CASINO TAX VARIANCE		
	FISCAL 2003		FISCAL 2004		FISCAL 2005 (ACTUAL)				F/Y 2006 (Projected)		FY/06 ACTUAL			3 YR AVG	FY/06 vs FY/05		
	ACTUAL		ACTUAL		SIMULCAST		CASINO TAX		Simulcast	3 YR	Simulcast	Casino Tax	TOTAL				
	REVS	%	REVS	%	REVS	%	REVS	%	REVS	AVG %	REVS	REVS					
														\$	%	\$	%
Oct	903,801	7.9%	856,794	7.6%	712,325	6.8%	479,385	8.0%	726,634	7.41%	648,132	526,163	1,174,295	(78,502)	-11.0%	46,778	9.8%
Nov	914,135	7.9%	759,619	6.7%	905,728	8.7%	467,250	7.8%	759,105	7.75%	840,838	493,767	1,334,604	81,732	9.0%	26,517	5.7%
Dec	863,190	7.7%	978,868	8.6%	790,710	7.6%	478,968	7.9%	781,969	7.98%	672,209	523,139	1,195,347	(109,760)	-13.9%	44,170	9.2%
Jan	830,271	8.4%	811,321	7.2%	750,825	7.2%	503,208	8.4%	741,901	7.57%	825,515	521,724	1,347,239	83,614	11.1%	18,516	3.7%
Feb	865,760	8.3%	867,200	7.7%	843,278	8.1%	511,173	8.5%	783,648	8.00%	805,520	545,553	1,351,074	21,873	2.6%	34,380	6.7%
Mar	1,004,163	9.1%	1,126,144	9.9%	981,406	9.4%	546,381	9.1%	928,686	9.48%	839,716	573,232	1,412,948	(88,970)	-9.1%	26,851	4.9%
Apr	994,703	8.5%	970,097	8.6%	889,432	8.5%	519,085	8.6%	834,267	8.51%	751,690	529,810	1,281,500	(82,576)	-9.3%	10,725	2.1%
May	1,121,872	9.9%	1,110,946	9.8%	1,012,814	9.7%	530,566	8.8%	959,172	9.79%	1,022,455	536,602	1,559,057	63,283	6.2%	6,035	1.1%
June	966,012	8.6%	1,113,962	9.8%	991,963	9.5%	463,067	7.7%	913,232	9.32%	792,456	531,104	1,323,560	(120,775)	-12.2%	68,037	14.7%
July	1,028,765	8.4%	921,723	8.1%	800,398	7.7%	535,915	8.9%	789,219	8.05%	700,948	550,364	1,251,312	(88,271)	-11.0%	14,449	2.7%
Aug	868,426	8.1%	975,291	8.6%	944,440	9.0%	517,022	8.6%	840,986	8.58%	828,907	543,354	1,372,261	(12,079)	-1.3%	26,331	5.1%
Sept	980,493	7.4%	843,327	7.4%	823,499	7.9%	473,232	7.9%	741,183	7.56%	723,872	549,189	1,273,060	(17,311)	-2.1%	75,956	16.1%
TTL	11,341,591	100.0%	11,335,294	100.0%	10,446,818	100.0%	6,025,254	100.0%	9,800,000	100.00%	9,452,259	6,423,999	15,876,258				

ADJUSTED CUMULATIVE BASED ON ACTUAL....

	SIMULCAST								CASINO TAX				FY/06 ACTUAL / Projected				Simulcast		Casino Tax		Total	
	FISCAL 2003		FISCAL 2004		FISCAL 2005		3 YR AVERAGE		FY/05 ACTUAL				FY/06		Simulcast	Casino Tax	TOTAL	Variance		Variance		Variance
	ACTUAL	mo as % of tot	ACTUAL	mo as % of tot	ACTUAL	mo as % of tot		mo as % of tot		mo as	Budgeted	Budgeted Casino										
	REVS		REVS		REVS		\$	% of tot	\$	% of tot	Simulcast	Tax		REVS	REVS		\$	%	\$	%	\$	%
Oct	903,801	8.0%	856,794	7.6%	712,325	6.8%	824,307	7.5%	479,385	8.0%	726,634	477,375	Actual	648,132	526,163	1,174,295	(78,502)	-10.8%	48,788	10.2%	(29,714)	-2.5%
Nov	1,817,936	16.0%	1,616,413	14.3%	1,618,054	15.5%	1,684,134	15.3%	946,634	15.7%	1,485,739	942,667	Actual	1,488,970	1,019,929	2,508,899	3,231	0.2%	77,263	8.2%	80,493	3.3%
Dec	2,681,126	23.6%	2,595,281	22.9%	2,408,764	23.1%	2,561,723	23.2%	1,425,603	23.7%	2,267,708	1,419,627	Actual	2,161,179	1,543,068	3,704,247	(106,529)	-4.7%	123,441	8.7%	16,911	0.5%
Jan	3,511,397	31.0%	3,406,602	30.1%	3,159,588	30.2%	3,359,196	30.4%	1,928,811	32.0%	3,009,609	1,920,726	Actual	2,986,694	2,064,792	5,051,486	(22,915)	-0.8%	144,066	7.5%	121,150	2.5%
Feb	4,377,157	38.6%	4,273,803	37.7%	4,002,866	38.3%	4,217,942	38.2%	2,439,984	40.5%	3,793,257	2,429,757	Actual	3,792,214	2,610,345	6,402,560	(1,042)	0.0%	180,588	7.4%	179,545	2.9%
Mar	5,381,320	47.4%	5,399,947	47.6%	4,984,272	47.7%	5,255,180	47.6%	2,986,366	49.6%	4,721,942	2,973,849	Actual	4,631,930	3,183,578	7,815,508	(90,013)	-1.9%	209,729	7.1%	119,716	1.6%
Apr	6,376,023	56.2%	6,370,044	56.2%	5,873,704	56.2%	6,206,590	56.2%	3,505,451	58.2%	5,556,209	3,490,758	Actual	5,383,620	3,713,388	9,097,008	(172,589)	-3.1%	222,629	6.4%	50,041	0.6%
May	7,497,895	66.1%	7,480,990	66.0%	6,886,518	65.9%	7,288,468	66.0%	4,036,017	67.0%	6,515,380	4,019,101	Actual	6,406,075	4,249,989	10,656,065	(109,305)	-1.7%	230,888	5.7%	121,583	1.2%
June	8,463,907	74.6%	8,594,953	75.8%	7,878,481	75.4%	8,312,447	75.3%	4,499,084	74.7%	7,428,612	4,480,227	Actual	7,198,531	4,781,093	11,979,624	(230,081)	-3.1%	300,867	6.7%	70,786	0.6%
July	9,492,672	83.7%	9,516,676	84.0%	8,678,879	83.1%	9,229,409	83.6%	5,034,999	83.6%	8,217,831	5,013,896	Actual	7,899,480	5,331,457	13,230,937	(318,351)	-3.9%	317,562	6.3%	(790)	0.0%
Aug	10,361,098	91.4%	10,491,967	92.6%	9,623,319	92.1%	10,158,795	92.0%	5,552,021	92.1%	9,058,817	5,528,751	Actual	8,728,387	5,874,811	14,603,198	(330,430)	-3.6%	346,060	6.3%	15,629	0.1%
Sept	11,341,591	100.0%	11,335,294	100.0%	10,446,818	100.0%	11,041,234	100.0%	6,025,254	100.0%	9,800,000	6,000,000	Actual	9,452,259	6,423,999	15,876,258	(347,741)	-3.5%	423,999	7.1%	76,258	0.8%

AG EQUINE INDUSTRY DEVELOPMENT FUND - FY 2006 REVENUE

REVENUE	OCTOBER 2005			NOVEMBER 2005			DECEMBER 2005			JANUARY 2006			FEBRUARY 2006			MARCH 2006			Total
	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	
<i>SIMULCAST TAX</i>																			
Great Lakes	9,588	18,715	28,303	8,525	20,068	28,593	8,643	14,323	22,966	10,601	19,028	29,629	8,937	17,278	26,215	12,074	21,712	33,787	169,493
Hazel Park	90,351	191,039	281,390	120,760	242,709	363,469	121,684	176,809	298,493	135,068	238,913	373,981	124,331	222,260	346,591	130,066	228,404	358,470	2,022,393
Jackson	9,757	15,693	25,451	15,510	20,855	36,364	15,005	14,181	29,186	18,287	19,656	37,943	16,768	16,744	33,512	19,836	21,516	41,351	203,808
Mt. Pleasant	977	4,458	5,436	1,747	6,425	8,172	1,639	3,469	5,108	2,435	4,377	6,812	1,609	3,325	4,934	2,377	5,730	8,107	38,570
Northville Downs	0	0	0	0	0	0	0	0	0	61,420	142,911	204,331	89,173	208,974	298,147	86,283	202,116	288,398	790,876
Northville Racing Corp	65,721	138,765	204,486	78,578	224,103	302,680	73,141	143,306	216,447	11,893	30,082	41,975	0	0	0	0	0	0	765,587
Saginaw	11,237	14,845	26,082	1,473	3,206	4,679	0	0	0	0	0	0	0	0	0	0	0	0	30,761
Sports Creek	29,030	38,731	67,760	38,525	51,636	90,161	35,413	38,571	73,984	48,796	49,718	98,514	42,091	46,504	88,596	48,207	54,330	102,538	521,552
MAIN Adjustments			0			0			0	0		0	0		0				4,543,040
TOT SIMUL TX REV	216,660	422,247	638,907	265,117	569,001	834,118	255,525	390,659	646,184	288,500	504,685	793,185	282,910	515,085	797,995	298,843	533,808	832,651	4,543,040
<i>OTHER</i>																			
Occupational Lics			4,250			4,195			19,615			29,150			5,775			4,815	67,800
Horse Race Lics									2,600			1,600			200				4,400
Racing Fines			4,975			2,525			3,275			1,225			1,450			2,200	15,650
Other Misc Revs									535			355			100			50	1,040
TOTAL OTHER REV	0	0	9,225	0	0	6,720	0	0	26,025	0	0	32,330	0	0	7,525	0	0	7,065	88,890
TOTL REVS N0 OUTS	216,660	422,247	648,132	265,117	569,001	840,838	255,525	390,659	672,209	288,500	504,685	825,515	282,910	515,085	805,520	298,843	533,808	839,716	4,631,930
UNCASHED TICKETS						149,579						18,787						480,364	648,730
MI GAMING REVENUE			526,163			493,767			523,139			521,724			545,553			573,232	3,183,578
TOTAL REVS	216,660	422,247	1,174,295	265,117	569,001	1,484,183	255,525	390,659	1,195,347	288,500	504,685	1,366,026	282,910	515,085	1,351,074	298,843	533,808	1,893,312	8,464,238
REVENUE	APRIL 2006			MAY 2006			JUNE 2006			JULY 2006			AUGUST 2006			SEPTEMBER 2006			Total
	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	
<i>SIMULCAST TAX</i>																			
Great Lakes	11,547	17,646	29,193	15,293	34,984	50,277	14,102	24,949	39,051	12,303	20,060	32,363	14,423	23,417	37,840	11,630	20,918	32,549	390,767
Hazel Park	116,439	202,385	318,824	133,592	293,990	427,582	108,252	203,365	311,616	96,728	193,800	290,529	119,943	245,333	365,276	100,177	204,099	304,275	4,040,495
Jackson	17,483	16,138	33,621	20,498	27,504	48,002	21,548	19,726	41,275	17,737	16,783	34,520	7,464	8,506	15,969	13,564	19,017	32,581	409,776
Mt. Pleasant	2,110	5,741	7,850	1,800	8,832	10,632	1,617	7,399	9,016	1,650	4,372	6,022	2,927	7,428	10,355	2,204	7,891	10,095	92,541
Northville Downs	81,773	183,141	264,914	98,765	244,609	343,374	83,506	200,845	284,351	76,010	162,979	238,989	18,210	39,675	57,886	0	0	0	1,980,390
Northville Racing Corp	0	0	0	0	0	0	0	0	0	0	0	0	78,053	157,045	235,098	85,555	164,565	250,120	1,250,806
Saginaw	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,761
Sports Creek	41,043	44,869	85,912	46,097	67,571	113,667	40,031	44,976	85,007	40,149	42,661	82,809	48,307	48,047	96,354	42,794	42,967	85,761	1,071,063
Undist. Simulcast Rev															0				9,266,599
TOT SIMUL TX REV	270,396	469,919	740,315	316,046	677,489	993,535	269,056	501,260	770,316	244,578	440,655	685,233	289,327	529,451	818,778	255,923	459,457	715,381	9,266,599
<i>OTHER</i>																			
Occupational Lics			10,675			25,000			14,265						6,375			4,760	122,500
Horse Race Lics												10,040			0				20,815
Racing Fines			700			3,600			7,875			5,675			3,575			3,410	40,485
Other Misc Revs						320									179			321	1,860
TOTAL OTHER REV	0	0	11,375	0	0	28,920	0	0	22,140	0	0	15,715	0	0	10,129	0	0	8,491	185,660
TOTL REVS N0 OUTS	270,396	469,919	751,690	316,046	677,489	1,022,455	269,056	501,260	792,456	244,578	440,655	700,948	289,327	529,451	828,907	255,923	459,457	723,872	9,452,259
UNCASHED TICKETS			0			0			0			0			0			0	648,730
MI GAMING REVENUE			529,810			536,602			531,104			550,364			543,354			549,189	6,423,999
TOTAL REVS	270,396	469,919	1,281,500	316,046	677,489	1,559,057	269,056	501,260	1,323,560	244,578	440,655	1,251,312	289,327	529,451	1,372,261	255,923	459,457	1,273,060	16,524,988

NOTE: Breakdown of the Simulcast Horse Race Revenue is available upon request.